

## DOCKETED

<b>Docket Number:</b>	16-RGO-01
<b>Project Title:</b>	Regional Grid Operator and Governance
<b>TN #:</b>	214282
<b>Document Title:</b>	Comments of the Balancing Authority of Northern California
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	Balancing Authority of Northern California
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	10/31/2016 3:29:48 PM
<b>Docketed Date:</b>	10/31/2016

*Comment Received From: Paula Palomo*

*Submitted On: 10/31/2016*

*Docket Number: 16-RGO-01*

## **Comments of the Balancing Authority of Northern California**

*Additional submitted attachment is included below.*



# BALANCING AUTHORITY OF NORTHERN CALIFORNIA

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## CALIFORNIA ENERGY COMMISSION

<b>In the Matter of:</b>	)	<b>Docket No. 16-RGO-01</b>
	)	
<b>Regional Grid Operator and Governance</b>	)	<b>NOTICE OF WORKSHOP RE:</b>
	)	<b>Regional Grid Operator and</b>
	)	<b>Governance</b>

### COMMENTS OF THE BALANCING AUTHORITY OF NORTHERN CALIFORNIA

The Balancing Authority of Northern California (“BANC”) respectfully submits these Comments on the Second Revised Proposal, Principles for Governance of a Regional ISO (October 7, 2016).

#### Description of BANC

BANC is a Joint Powers Authority consisting of the Modesto Irrigation District, Sacramento Municipal Utility District, the Cities of Redding, Roseville, and Shasta Lake, CA, Electric, and the Trinity Public Utilities District. BANC is the North American Electric Reliability Corporation (“NERC”)-registered balancing authority for its members. The BANC balancing authority area also hosts the California-Oregon Transmission Project, a 340-mile long, 1600 megawatt, 500-kilovolt Alternating Current transmission line between the California-Oregon border and Central California owned by the Transmission Agency of Northern California (“TANC”) and the Western Area Power Administration-Sierra Nevada Region (“WAPA-SNR”) which operates within the BANC footprint and participates in BANC activities, but neither TANC nor WAPA-SNR are BANC members at this time.

## **Support for Public Power Comments**

BANC supports the broad set of Public Power Comments also filed today with the California Energy Commission, and incorporates those positions by reference

## **Market Advisory Committee**

BANC urges the California Independent System Operator Corporation (“ISO”) to include a Member or Market Advisory Committee (“MAC”) in any Final Principles transmitted to a Transition Committee for further development.

BANC and BANC member leaders are actively engaged in industry forums throughout the West. BANC and BANC member executives have served on the Western Electricity Coordinating Council (“WECC”) Board, the WECC MAC, as well as the MAC for Peak Reliability Corporation. BANC is a member of the Northwest Power Pool, a reserve sharing organization that spans Northern California and much of the Pacific Northwest. BANC members participate in regional transmission planning pursuant to Federal Energy Regulatory Commission Order No. 1000 requirements through WestConnect, which has a multistate and multijurisdictional footprint.

This regional engagement gives BANC insight into what works, and what does not work, in the Western Interconnection. All of these organizations are marked by strong consensus building and collaboration. These are “Western values,” and any organization that hopes to succeed in the West, as the ISO proposes to do with its regional expansion initiative, must demonstrate that it is committed to broad collaboration.

The lack of a MAC in any of the documents produced so far stands in stark contrast to what the ISO is attempting to accomplish. The structures of other RTOs, notably the Southwest Power Pool, all contain such stakeholder processes. The consistent theme BANC hears from public power leaders in the West is that the lack of a MAC structure reinforces their perception that the proposed regional grid operator will be insular and dominated by California interests.

It would be so easy for the ISO to begin to alter that perception by including a MAC as a fixed provision of the governance structure in Final Principles. BANC urges the ISO to take this step.

## **EIM Governance**

One issue that has been a core concern for BANC is the continued governance of EIM market issues by the EIM Governing Body. The *Second Revised Principles* do not include any discussion of this issue.

BANC has recently announced its intention to become an EIM Entity. Given the significant value of EIM to expand efficient real-time dispatch, the amount of load now and contemplated to be served through the EIM, and the number of EIM Entities that the region, it is appropriate for the ISO to commit to continuity of the EIM Governing Body. BANC respectfully requests that this commitment be made in any Final Principles proposed by the ISO with respect to regional governance.

Respectfully Submitted,

  
James Shetler

General Manager, Balancing Authority of  
Northern California